

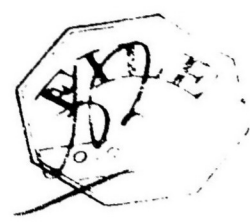
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SWAMPSON MUNICIPAL POLICE
C. & S. B. REGISTRY
N. D. 2523
30, 8, 1932

THE NORTH CHINA DAILY NEWS, TUESDAY, AUGUST 30, 1932

EUGENE FINE, who claimed to be
a former military adviser to the
Fengtian Government, was re-
leased from China Road Jail on
Saturday after serving a term of
imprisonment for swindling and
false representation in connection
with an arms deal.



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SHANGHAI MUNICIPAL POLICE.

SHANGHAI MUNICIPAL POLICE

C. & S. B. REGISTRY

Special Branch 3.2. Station

REPORT

No. D 2528
Date May 10, 1932
Date 11/5/32

Subject (in full) E. Kojevnikoff's (Eugen Pick) letter to Mrs. E. Babakishvily.

Made by D.S. Prokofiev.

Forwarded by

S.B. Ru. 4.1.

With reference to the Officer i/c Special Branch memo of May 4 on the subject of the attached letter dated May 2, 1932 (No.50) from Eugen Kojevnikoff alias E. Pick to Mrs. E.

Babakishvily, No. 4 Astor Terrace, Shanghai, I have to state that there is no indication that it is written in cypher, although of course, it is quite possible that certain words or phrases may have some hidden meaning known to the above two persons only.

Mrs. E. Babakishvily is, according to our information, an old friend and paramour of E. Pick and is a woman of loose morals. They are co-proprietors of a boarding-house at No.4 Astor Terrace. The fact that Mrs. Babakishvily is a Georgian may account for the "green Persian passport", mentioned in the letter, as many Georgians are Persian subjects.

As far as it can be ascertained the identity of other persons mentioned in the letter is as follows :-

1. "DASHKA" D. Samoilova alias Antsichkina, a well known shop-lifter; she was formerly a paramour of one Tsigarely, a Georgian known to the police as a shady character, who was an intimate friend of Pick.
2. "Samson" is a nickname of one Shepshel Perzovsky alias Pent-govsky, a known criminal.
3. "The American who owes some money" to Mrs. Babakishvily is Mr. Joseph Peterka, Czechoslovakian by birth, believed to be a naturalized American. He was formerly employed as a cook on some ship which called in this port recently. On account of illness he remained in Shanghai and has been residing at Mrs. Babakishvily's boarding-house since March 9, 1932.
4. The identity of "the American from Peking" has not yet been established. Although it is reported that Pick was at one

C.P.
Other efforts
have been made
to find hidden
meaning of letters
suspecting found.
Original has
gone back to
Goul.
RMB
de

MAY 1932

SHANGHAI MUNICIPAL POLICE.

REPORT

-2-

.....Station,

Date.....19

Subject (in full).....

Made by.....Forwarded by.....

time connected with certain agents of the American Intelligence Service, both in Shanghai and in Peking, it is very unlikely that he would mention any of these persons by name in a letter which, he knew, would be subject to censorship. It is more than likely that the reference to an "American from Peking" is a mere bluff on the part of Pick.

G. Prokofiev

D. S.

Officer i/c Special Branch.

D. (crime)

Information.

J. H. Guerin

O. i/c Sp. Br.

MAY 11 1932

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May 10, 32.

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D.S. Prokofiev.

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D. S.

Officer i/c Special Branch.

Memorandum.

POLICE FORCE.

MUNICIPAL COUNCIL.

Shanghai,

May 4 1932.

To

S 2,

For inquiry and report on the following points:

- 1, possibility of letter being in cipher.
- 2, significance of reference to green Russian passport.
- 3, identity of persons to whom reference is made, such as Samson, Daghka, the American printing and the addressee of the letter. 9/15

May 2, 1932.

50

Congratulate you with the holiday and myself with a banana. If Russian priest will come to you or your lodgers to serve sermon then tell him that Jewish priest brought for his people in Gaol 7 lbs. of unleavend bread. Our priests only promised but did not send anything. Lucky there is a certain man among this gang of Shanghai Britishers only one respectable person, who as before on Christman and so now on Easter sent a little fruits. You of course celebrated all Easters?

Now! if your American owes you some money, then let him borrow from "China Finance", Hankow Road, and American Consulate should guarantee it. Only in such way he can pay you.

In any case you can demand money from the Consulate, and they are obliged to give them to you or to guarantee your loan from a bank. Keep away from Samson and it will be better if you will let a room to Dashka. If that American from Peiping is sending letters ask him not to write on my name. Write him and ask for his address.

If you have empty rooms then make advertisement in a Japanese newspaper. There are two newspapers near Range Road. Try to let rooms to somebody except Russians. I feel myself better. My regards to all.

E. Kojevnikoff

(Pick)
No. 4

P. S.

Your green Persian passport keep in safety as it may be useful. In event if you will see the lawyer that gives me a pain in tomy then ask him if he removed my documents from Court and also my Latvian passport.

E. Kojevnikoff

SHANGHAI MUNICIPAL POLICE
& S. T. REGISTRY
S. B. D. 2523
Date 6/11/21

THE NORTH CHINA DAILY NEWS, SATURDAY, DECEMBER 4, 1921

PICK APPEAL DISMISSED

Man Who Impersonated Military
Advisor to Nanking Government

The appeal of Eugene Pick against the Shanghai Special District Court's decision sentencing him to a year's imprisonment in connection with charges brought against him by E. M. Raphael was dismissed by the Second Branch Kiangsu High Court yesterday.

Pick and another foreigner, M. Levitsky, were charged with impersonation of military advisors to the Nanking Government, Levitsky being further charged separately with forging a seal and fraudulently using the same on a contract in a manner likely to cause injury to the complainant.

The trial occupied many sessions of the Court and aroused considerable interest in the foreign community. On August 29, Pick and Levitsky were sentenced to a year's imprisonment each while a Chinese by the name of Wei Shao-lan, who was charged with aiding and abetting the two foreigners in the offense, was sent to prison for six months.

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Why Pick And Levitsky Got Year's Imprisonment

Written Judgment Is Delivered By First District Court Setting Out Reasons For Conviction Of Foreigners In Famous Arms Case

A written judgment has been delivered by the First District Court giving reasons for the conviction of Eugene Pick and Maurice Levitsky on charges of posing as military advisers to the Chinese Army in an arms deal involving \$1,800,000. Both accused were sentenced to a year's imprisonment each after a lengthy trial. Wei Siau-lai, a Chinese accomplice, was sentenced to two months' imprisonment for aiding and abetting the other accused in an attempt to extort \$69,000 from one Sze Tzoh-zung.

The Judgment

The full text of the judgment, translated into English from the Chinese, follows:—

Reasons.—(1) **Re: Charge of False Representation.** The accused Levitsky and Pick represented themselves as military advisers to the National Government. Both Raphael and Carroll have testified to this effect. Even Ralf, who introduced Pick in the transaction, stated: "When Pick came to see me he told me that he was a military adviser to the National Government." On June 17 Pick stated in court: "Raphael bought firearms for the Canton Government, and as we were military advisers to the National Government, we tried to get evidence in order to lay an information." On July 4 he, however, stated: "When I said I was military adviser to the Chinese Government, I meant that four years ago I was under Tang Seng-chi in the capacity of an adviser." All these tend to prove the fact that the accused have falsely represented themselves to be military advisers. The Government appoints advisers in order to get advice on Government affairs, and they are, therefore, engaged for discharge of public functions according to law. As the accused openly without authority make

use of such official title, they should be dealt with according to Art. 166 of the Criminal Code. Wei Siau-lai admitted being a private secretary to Chang Fah-ying. As this is different from making use of an official title without authority, he should not be found guilty of the same offence.

Gas Masks and Barbed Wires

(2) **Re: Charge of Attempted Extortion.** Levitsky and Pick in the name of Chang Fah-ying made an agreement with Raphael. Raphael and the accused have produced such agreement for examination. Levitsky contended that such agreement was made between Raphael and Chang Fah-ying and that as he was employed in his firm, he retained it when he saw same. He denied having concluded any agreement in his name. Upon being cross-examined in this Court, Wei Siau-lai stated: "Tsagaraly introduced me to Levitsky and Pick. On the 24th, I went with Levitsky to see Raphael. He introduced me as Chang Fah-ying's secretary. I heard them talk about the purchase of pistols and rifles, but not the gas masks and barbed wires. It was said that the Canton Government wanted to buy these things and that the goods were to be delivered at Canton. Levitsky came out and told me that the guarantor must be Tsu Ts-yau and that as soon as Tsu agreed to it he would engage a Chinese lawyer and open negotiations with him. He also said that as they bought firearms for the Canton Government and Tsu Ts-yau acted as guarantor, it would be possible for him to extort money from them. Levitsky and Pick also spoke about the share they would get out of the profit. I told them I would not get any commission. I went twice altogether." Such a statement made by a joint accused unfavourable to himself describing vividly how they planned and attempted to extort money, should be accepted and based upon to prove the facts of the case. Sze Tzoh-zung stated: "On the 13th Levitsky came to ask me to demand \$69,000 commission from Raphael and the parties concerned. I went first to Tsu Ts-yau's place telling him that Canton was in rebellion and that as the arms were bought

added after the agreement had been typed. However, the typist of Raphael and Co., stated that he typed part of the agreement and that the amount, place of delivery and date were all left blank. Thus it seems that a number of words were added in the agreement later and, therefore, it is difficult to conclude that the words "guaranteed by" were added by the accused. Furthermore, on June 9 Raphael wrote to Chang Fah-ying stating: "I am sure the agreement can be signed to-morrow. Nicholas Tsu (Tsu Ts-yau) and P. Heath and Co., shall officially sign as witnesses and guarantors." Thus when Tsu Ts-yau signed on the 10th he not only agreed to be witness but also agreed to accept responsibility as guarantor. Therefore, the words "guaranteed by" in the agreement cannot be regarded as forged.

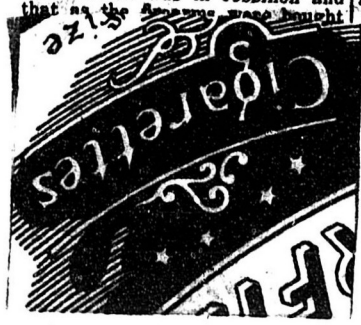
(3) **Re: Charge of Forging Bill and Chop.** Levitsky went to the Mei Tai Printing Shop to have a chop made bearing Raphael's name. He went to get the chop on the 16th and stamped it on the bill which he carried with him. He also borrowed the "duplicate" chop from Mei Tai and stamped it on the top of the bill. He paid for the chop and then left it there. He was soon arrested outside of the shop by detectives and found in his possession were the bill, the draft copy of the bill and receipt for what he paid for the chop. Woo Tse-ziang, manager of the Mei Tai Printing Shop, D. S. I. Bebenin and D. S. Harvey all testified in court to the above effect and the bills, receipt, etc., were produced in court for examination. Accused admitted his own handwriting in the draft copy of the bill but contended that he only made a copy of it. However, in the draft a number of corrections were found. We can, therefore, conclude that it was a draft, not a copy accused had made and that accused should accept responsibility for forging the chop and documents.

In view of the reasons mentioned above, Levitsky should be dealt with according to Art. 42, 370 sec. 1 and 3, 39, 74, 166, 224, 234 sec. 1 and 70 sec. 3 of the Criminal Code; Pick should be dealt with according to Art. 42, 370 sec. 1 and 3, 39, 66 sec. 2 of the Criminal Code; and Wei Siau-lai for aiding and abetting shall receive the punishment prescribed for the offence reduced by one-half according to Art. 44, sec. 3, 370 sec. 1 and 3 and 39 of the Criminal Code.

JUDGE HYUI KYA-SHIEH.

August 29, 1931.

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26. P. H.

THE SHANGHAI TIMES. TUESDAY, AUGUST 25, 1931

THE PICK CASE

Editor

THE SHANGHAI TIMES

Sir,—I read the following in the local papers which have related the "Pick Case":

"Upon the opening of court yesterday, Pick announced that he had dismissed Mr. Paul Premet as one of his counsel and charged that the attorney refused to return to him certain document necessary to his defence unless the sum of \$170 was paid on account of interpretation and balance of fees."

I give you below the text of the letter I received from Pick a few hours before the last hearing:

"Amoy Gaol, August 20, 1931, 2 p.m.

Mr. Paul Premet,

"I have decided to have no lawyer; therefore send to the court at 9 a.m.: (1) my file, (2) photos, etc."

"I give up your assistance not because I do not trust you, but I consider it will be better for me and worse for Raphael."

"(Signed) KLIGE PICK."

"P. S. at the same time I renounce to attorney Farnklin Chu."

From that letter, every one see that Pick did not charge me at all that I refused to return some documents on account fees being unpaid.

The truth is, that Pick thought at the last hour that it should be better not to be defended: Perhaps he is true.

PAUL PREMET.

Shanghai, Aug. 24, 1931.

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C. & S. REGISTRY
No. 83B. D. 2543
Date 17. 8. 31

Third Accused Testifies In Arms Dealing Trial

Chinese Gives Evidence Against Pick And Levitsky, Another Charge Of Attempted Extortion Is Added To List

The trial of Eugene Pick and Levitsky before Judge Hyui in the Shanghai Special District Court yesterday was featured by the evidence of Wei Siau-lai, third accused and associate of his companions in the dock, who testified against them. After several witnesses were called the case was adjourned for a week.

Pick and Levitsky who were originally charged with false representation and counterfeiting a chop of Mr. R. K. Raphael, complainant in the case, yesterday were further charged with attempting to extort money from Mr. Nicholas Hsu, a witness. Wei was charged with aiding Pick and Levitsky in the alleged attempted extortion. He was defended by Mr. Y. T. Van while Mr. Franklin Chio appeared for Levitsky, Mr. Paul Preme for Pick and Mr. Paul Y. Ru, Assistant Municipal Advocate prosecuted.

The prosecution arose from an alleged deal in arms involving \$180,000. It was alleged that Pick and Levitsky posed as representatives of the purchasing department of the Chinese military authorities who, they said, wanted to buy the arms which were to be supplied by Mr. Raphael.

Pick previously told the Court that he had reported to Mr. T. V. Soong, Minister of Finance, regarding an arms deal with the Canton clique and that he was referred to the Superintendent of Customs.

At the outset yesterday Judge Hyui said he had received a reply to his letter from the Customs stating that Pick had reported to them that a deal in arms was going on in the office of Mr. Raphael. The reply further stated that the Customs did not authorize Pick to make any inquiries about the matter.

The Chinese accused was then called. He made the following statement: When he met the other two accused he was told that they were going to carry on certain dealings with Chinese. Both prisoners visited him at his home. Levitsky introduced him to Mr. Raphael as Levitsky's secretary. While in the office of Mr. Raphael he overheard certain negotiations regarding arms and ammunition. Mention was made of a number of rifles and Mauser pistols. The prices were discussed. He gathered that the shipment of arms was destined for Canton.

Continuing, accused said that on his second visit to the office of Mr. Raphael the topic of conversation included General Chan Fah-ying, a brother of General Chan Fah-kwei. The conversation took place in the presence of Mr. Carroll. He told Levitsky, with whom he left the office, that he was reluctant to take any part in the dealings. He was later told by Pick that he would benefit as there would be dinners with plenty of food and champagne.

Guarantor Wanted

Witness went on to say that he was told by the other prisoners that they would go to a lawyer to make Mr. Nicholas Hsu pay their commission for the arms deal, after the contract was signed. Mr. Hsu was alleged to be a witness to the contract.

Reverting to his second visit to the office of Mr. Raphael, witness said his companions in the dock asked Mr. Raphael to get a guarantor of the contract and Mr. Raphael replied that he had many Chinese friends from whom Nicholas Hsu was subsequently chosen. He heard Levitsky remark to Mr. Raphael that the first thing to do would be to get the guarantors, failing which witnesses to the contract would have to be secured. He did not hear that General Chan Fah-ying would not sign the contract if there were no guarantors. The other accused told him they would be witnesses to the contract and asked him to print cards for General Chan Fah-ying. He said they also told him that he was too young to pose as the general, and that an older man would be required. He could not say who subsequently masqueraded as General Chan Fah-ying.

Witness declared that he did not represent himself as an officer and was not promised any remuneration. Mr. Raphael, recalled, said that Pick and Levitsky and other crooks went to his office to try to take advantage of him and his friend.

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Mr. Nicholas Hsu was asked by the judge how many times he had dealings in arms and replied that he was asked by P. Heath and Company to sign as a witness to a contract for arms.

Witness went on to relate how on a Saturday evening Pick and Levitsky went to his home with a lawyer and asked for a commission of \$9 per rifle and threatened him by saying that it was a dangerous deal and that as guarantor of Mr. Raphael they would have to look to him for the commission if they did not get it from Mr. Raphael. They then asked him to request Mr. Raphael to pay them the commission saying that he was responsible as guarantor. He replied that he thought the deal was with Nanking when they remarked that Canton was mentioned on the contract. As a rejoinder he said, they told him that he could not escape his responsibility as the deal was with Canton.

Mr. Sze, a Chinese lawyer, next stated that he was given a power of attorney by Levitsky to collect a commission of \$69,000 from Mr. Raphael. He said Levitsky told him that the deal had already been completed and that the money involved had been paid. Witness said he thought the deal was with Nanking and was surprised when going over a copy of the contract to find that Canton was mentioned. At the instance of Mr. Levitsky he said, he also saw Mr. Nicholas Hsu. Asked by Mr. Paul Premet whether he went to see Mr. Nicholas Hsu at the suggestion of his client or on his own initiative, witness replied that he went under instructions.

Levitsky then stated that he was introduced to the Chinese accused in Mr. Raphael's office and asked the last witness to verify the signature of Mr. Nicholas Hsu on the contract by calling on Mr. Hsu. He denied going with the lawyer to get his commission from Mr. Hsu. He declared that the Chinese accused was assisting Mr. Raphael to supply arms to kidnappers and communists.

Gas Masks Again

Although Mr. Raphael denied having sold gas masks, Levitsky continued, documents in the possession of Mr. Paul Premet would show otherwise. Mr. Premet then produced a gas mask and admitted that he had the documents mentioned by Levitsky.

A Russian witness, who was next called, said he introduced the Chinese accused to Levitsky after the latter had asked him for an interpreter. He was subsequently told by the Chinese that he would not do business with Levitsky and consequently would not call on Levitsky again.

ARRESTED AS ACCOMPLICE

Chinese in Court in Connection with Charges Against Pick, Levitsky

With reference to the case in which Eugene Pick and M. Levitsky were charged in the Shanghai Special District Court with falsely representing themselves as the military advisers to the Nanking Government and with forging a seal and fraudulently using the same on a contract in a manner likely to cause injury to the complainant R. K. Raphael, the Municipal Police arrested, on Wednesday morning, an important Chinese witness in the case named Wei Shao-lan, residing at No. 33 Min Teh Lee Alleyway, off Rue Bourgeat, French Concession.

The arrested man was arraigned before Judge Hyui, who had tried Pick and Levitsky, yesterday morning on a charge of being concerned with Pick and Levitsky in attempting to defraud the complainant R. K. Raphael of over \$1,000,000 worth of arms. Accused made some startling statements and alleged that the real intention of Pick and Levitsky was not to defraud R. K. Raphael, but to extort a huge sum of money from some rich Chinese who agreed to act as guarantors for the complainant and who attached their signatures to the contract whereby the arms supposed to have been ordered from abroad would be shipped to the rebel leaders in Canton.

With Other Accused

Mr. Paul Y. Ru, Assistant Municipal Advocate, prosecuting, told the Court that, when Pick and Levitsky visited the complainant firm to "negotiate" regarding the purchase of over \$1,000,000 worth of arms, they were accompanied by accused who was introduced to the complainant by Levitsky and described as the secretary to Gen. Chang Fa-ying who Pick and Levitsky stated was a younger brother of Gen. Chang Fa-kuei and represented the Chinese Government. After the arrest of Pick and Levitsky, counsel stated, the police conducted extensive inquiries regarding accused's whereabouts in order to bring him to book for trial with the two other accused. However, efforts made by the police to locate accused failed until 9 a.m. on Wednesday when Sub-Inspr. Bebenin accompanied by a Chinese detective, acting upon information received, proceeded to the French Concession and arrested accused in his house at No. 33 Min Teh Lee Alleyway, off Rue Bourgeat.

Complainant corroborated and stated that accused had, together with Pick and Levitsky, visited his office four or five times, his first visit to his office being on May 24. At first, complainant said, he did not suspect accused as being concerned with the two other accused in attempting to defraud him as he was well-dressed and looked like a well-to-do Chinese. Subsequently, when Pick and Levitsky were arrested by the police, he gave to the police information concerning accused's description and this had led to accused's arrest.

Questioned by the Court, accused vigorously denied the charge and made a lengthy statement regarding his connection with Pick and Levitsky. He said he was formerly employed by the Tientsin-Pukow Railway when he became acquainted with a Russian named Tsikareli who also worked on the railway. Subsequently, he and Tsikareli lost their jobs and came to Shanghai.

Acts as Interpreter

On May 24, accused said, Tsikareli visited his house in the French Concession and asked him to act as an interpreter between certain foreigners and Chinese in arranging a business transaction. Being jobless and badly in need of money, he agreed and then Tsikareli took him to No. 24 Rue des Zouurs where he was introduced first to Levitsky and then to Pick. The latter took him to the complainant's office in Canton Road and, whilst there, he "heard" that Levitsky introduced him to the complainant and described him as the secretary to Gen. Chang Fa-ying.

"I never introduced myself to the complainant and described myself as a secretary to Gen. Chang Fa-ying as alleged by the police and

if the Court does not believe me, the complainant, Mr. Raphael will testify to this effect," accused told the Court.

Continuing, accused stated that, when he heard that he was being described by Levitsky as a secretary to Gen. Chang Fa-ying, he was greatly surprised as he had never held such a job before, so he remained silent all the time when negotiations regarding the purchase of arms were going on between Pick and the complainant. When they left the complainant firm, he refused to go there again, but, several days later, Pick and Levitsky called at him and asked him to visit the complainant firm once more. He refused, but Pick and Levitsky called at his house again and again until he finally consented. However, he paid only two visits to the complainant firm and not four or five visits as alleged by the complainant. Accused denied having any knowledge of the signing of the contract between Pick and the complainant or of the forging of the complainant's seal by Levitsky.

Allegation of Blackmail

In conclusion, accused alleged that the real intention of Pick and Levitsky in entering into a contract with the complainant regarding the purchase of over \$1,000,000 worth of arms was not to defraud the complainant who was a foreigner and who was not a man whom one could easily defraud. The real intention of Pick and Levitsky was, accused alleged, to get some wealthy Chinese to act as guarantors for the complainant in the arms transaction and, when the wealthy Chinese attached their signatures to the contract whereby the arms supposed to have been ordered from abroad would be shipped to the rebel leaders in Canton, they would extract a huge sum of money from the Chinese by threatening to report to Gen. Chiang Kai-shek on the contents of the contract. The Chinese, being afraid of being arrested by their Government, would give in and settle the matter in whatever way Pick and Levitsky desired.

On account of this, accused stated, Pick and Levitsky, during their negotiations with the complainant, insisted that the latter should find one or two leading Chinese merchants to act as his guarantors. At first, accused alleged, the complainant suggested that he should invite Mr. Koo Shing-yi, a leading merchant of Nantao and a member of the Chinese Chamber of Commerce, to act as his guarantor, but to this Pick disagreed. The complainant then suggested Mr. Nichola Chu, to which Pick agreed, so Mr. Chu's name appeared on the contract. Accused further stated that Pick had promised him a sum of money if their scheme was successfully carried into effect.

Sub-Inspr. Bebenin having given his evidence of arrest, the Court remanded the case sine die, accused being ordered to be kept in custody, pending his trial with Pick and Levitsky.

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Double Forgery Suggested In Arms Deal Trial

Levitsky Denies Having Ordered Counterfeit Chop
Of British Complainant; Declares He Was Agent
Of Mr. Raphael; Hearing Adjourned

A declaration that there had been a double forgery was made by Mr. R. K. Raphael, British complainant, at the adjourned hearing before Judge Hyui in the Shanghai Special District Court yesterday of the prosecution against Eugene Pick and Levitsky. Accused were again remanded indefinitely on charges of posing as representatives of the Chinese military authorities. Levitsky faces the additional charge of making a counterfeit chop. Prisoners were arrested following a deal in arms involving more than \$1,000,000.

Mr. Paul Y. Ru, Assistant Municipal Advocate, prosecuting, said the police would produce three detectives to give evidence in connection with the second charge against Levitsky.

Wu Tse-hsiang, proprietor of the Mei Tah Printing shop where the forged chop of Mr. Raphael was alleged to have been made was called first. He related how Levitsky visited his establishment and ordered a chop for delivery the same day. As the chop was for

the hong of Mr. Raphael his suspicions were aroused and he informed Mr. Raphael.

Accused's Denial

Levitsky pointed out that the Mei Tah Printing shop supplied all the stationary of Mr. Raphael. It was inconceivable he said, that he should go to them to make a forged chop of Mr. Raphael.

Levitsky went on to say that he saw the proprietor of the Mei Tah Printing shop in the office of Mr. Raphael in several occasions. The last time he saw the printer there he had ordered some visiting cards with his name as agent for R. K. Raphael and Company underneath. Continuing he said, this was done with the consent of Mr. Raphael, and that it had been arranged for him to go to Dairen to look after a shipment for Mr. Raphael.

On the day of his arrest Levitsky said, he met Mr. Raphael on the street and they spoke about a contract for the supply of arms. Mr. Raphael he said, remarked to him: "We are all in China to make money." He then promised to take the contract the next day to the office of Mr. Raphael who he said told him to go to the printer and get his cards. He called at the Mei Tah printing shop, but the owner was out and he was told that the cards were locked up in a drawer and that he could return that afternoon for them.

Copied Specification

Before leaving the shop Levitsky said, he saw a specification of a table and was told that Mr. Raphael had ordered 100 of it to be printed. Upon noticing that the specification related to arms he made a copy of the specification of a piece of paper for future reference.

On returning to the shop in the afternoon Levitsky continued he met the proprietor who told him that his cards had been sent to Mr. Raphael. The proprietor he said, also told him that he could take the specification he had seen in the morning to Mr. Raphael and inform Mr. Raphael that the 100 forms would be finished the following day. The speaker, he said, then folded the specification and gave it to him. After putting it in his pocket he took out his copy of it and tore it up. The printer he said, also gave him the stamp with the name of Mr. Raphael's hong and told him that Mr. Raphael had ordered it. He replied that he was not going again to see Mr. Raphael that day and asked the printer to take the chop himself.

Levitsky then denied that he had ordered the chop and pointed out that it was not found on him at the time of his arrest and declared that it would be ridiculous for him to order it from the printer of Mr. Raphael.

Police Witness

The first police witness called was Detective Sub-Inspector V. C. Bebenin of Central Station. After receiving a report on June 16 he said, he went in the afternoon with Detective Sergeant Harvie and a Chinese detective to the Mei Tah printing shop. They were told by the proprietor that a foreigner who ordered the chop would return at 4 p.m. for it. At that time they did not know who the foreigner was. They concealed themselves and at 4 p.m. were told that the foreigner had arrived. The other two detectives remained in the shop while he waited outside to prevent the foreigner from escaping. After a few minutes he saw Levitsky coming out. He immediately stopped and searched Levitsky and found a certain document in his pocket and small pieces of paper. By this time he was rejoined by the other detectives who told him that the foreigner had left the chop in the shop after making an impression of it on a document.

Military Equipment

After the other two detectives had given evidence Mr. Raphael was recalled. He said that Levitsky

purchase of gas masks, military telephones etc. He wrote a letter from his home to General Chang Fah-ying assuring the recipient that he would get guarantors for the supply of arms if there was a proper endorsement from Nanking. The letter, witness declared, proved that the words "Guaranteed by" on the contract must have been put in by one of the accused. The chop of Chang Fah-ying witness declared, was also a forgery. The words "Guaranteed by" and the stamp of Chang Fah-ying he said, were forged because after chopping the contract Chang must keep the letter as he was supposed to chop the contract on the strength of it. It was stated that Levitsky called at the home of Mr. Raphael in the evening for the letter which was never delivered to Chang Fah-ying.

Levitsky was then questioned by the Court and emphasized that the letter was handwritten and not typed as it should be in his opinion, if it was a document on the strength of which the contract would be signed. He admitted that General Chang Fah-ying had never seen the letter.

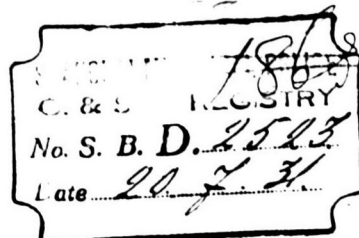
Further Adjournment

"Why should he want this letter?" Levitsky asked, "He has got the contract from Mr. Raphael for \$2,000,000 worth of arms."

Before adjourning the proceedings Judge Hyui stated that no answer had been received from Mr. Tong the Superintendent of Customs, to the despatch sent by the Court since the last hearing. The despatch was in connection with a statement made by Pick that he had informed Mr. T. V. Seeng, the Finance Minister, about the deal in arms and had handed certain documents relating to the deal to the Superintendent of Customs at the suggestion of the Minister. The judge said he would send another despatch to the Superintendent and adjourn the case indefinitely pending the receipt of a reply.

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THE SHANGHAI SUNDAY TIMES, JULY 19, 1931

Pick And Levitsky In Court On Arms Dealing Charge

Pick Creates Sensation By Stating Arms Contract
Had Been Shown To Finance Minister And
Superintendent Of Customs

"I was only a small man in this business. I had to look after the shipment only, but had no word in the contract" declared Levitsky in the Shanghai Special District Court yesterday when charged on remand with Eugene Pick for posing as representatives of the National Government in an arms' deal involving more than \$1,000,000. After several witnesses were called the case was adjourned one week.

While admitting that he knew Mr. R. K. Raphael, the complainant, very well, Pick denied that he was connected with Mr. Raphael in business. Questioned by Levitsky's counsel, Mr. Franklin Chiu, Pick declared: "I know Raphael and his

organization because they had sent ammunition up the Yangtze to communists. I know Raphael also because I had information before about him."

Mr. Edward Carroll, a partner of P. Heath and Company who was previously stated to have been in Mr. Raphael's office and overheard certain negotiations in connection with the deal, said he met Levitsky for the first time on May 24, when Levitsky was introduced to him by Mr. Raphael as Major Levitz, a representative of the purchasing department of the Nanking Government, negotiating for the purchase of arms. Altogether witness said, he saw Levitsky four times.

Pick Examined

Pick was then questioned by Judge Hyui as to who had witnessed the signatures in a contract relating to the arms when some difficulty arose regarding the interpretation of the question to accused. Turning to the interpreter Pick said: "You no quite understand English. You translate proper. This is not what the judge is saying."

Cross-examined by his counsel, Mr. Paul Premet, Pick went on to say that he was told by Levitsky that when the contract was signed there were present General Chang Fah-ying, the latter's secretary and Messrs. Raphael and Carroll. The contract was later sent to Mr. Nicholas Hsu at the General Hospital for his signature.

In reply to the judge, Levitsky said that Chang Fah-ying was introduced to him as a general. The wording "Guaranteed by" in the contract he said, was written in Mr. Raphael's office.

Levitsky went on to say that there were two copies of the contract and that Chang Fah-ying would not sign them unless there were two guarantors. Carroll he said, agreed to sign and Mr. Nicholas Hsu was also got to sign. Asked what the responsibilities of the guarantors were, Levitsky replied: "That is their business not mine." In reply to further questions he said that the chop of Chang Fah-ying was placed on both copies of the contract.

Signing Of Contract

Mr. Paul Y. Ru who conducted the prosecution with Mr. R. T. Bryan Jr. Municipal Advocate then took up the examination of Levitsky who said that on the day the contract was signed he went alone to Mr. Raphael's office. A few minutes after his arrival Messrs. Raphael and Carroll appeared and later Chang Fah-ying came.

Nicholas Hsu he said, was not present.

Continuing Levitsky said Chang Fah Ying signed the contract before it was taken to Nicholas Hsu. When he arrived in Mr. Raphael's office witness said, the two copies of the contract already were typed out.

Mr. Ru then informed the Court that two alleged copies of the contract were produced at the last hearing when it was noticed that the wording "Guaranteed by..." appeared only in one copy. Mr. Bryan then attached some importance to this and asked that an expert be allowed to examine the two copies.

Photographic Enlargement

Detective Sub-Inspector Read of the Finger Print Bureau of the Shanghai Municipal Police who examined the copies of the contract was then called. He was of opinion that the words "Guaranteed by" and "Witness" to "Guaranteed by" were added after the contract had been typed. Witness explained that he thought those words were included after the contract had been re-set in the typewriter. Witness then gave various reasons to show why he arrived at this conclusion, and produced photographic enlargements of the documents.

Questioned by the judge Levitsky could not say whether the words "Guaranteed by" were typed on the same typewriter used for typing the contract.

Pick's Statement

Interrogated about the documents Pick created a mild sensation in Court by declaring that he had shown the papers to Mr. T. V. Soong, Finance Minister of the National Government, and two days later had handed them to the Superintendent of Customs, as Mr. Soong had to leave town. Pick went on to say that he handed the documents personally to the superintendent at 97 Route Ferguson. He went on to say that he was told by Levitsky that Nicholas Hsu did not want to sign the contract, but was given \$20,000 by Messrs. Carroll and Raphael to do so.

Sub-Inspector Read was then cross-examined by Mr. Paul Premet and said he could not state whether the words "Guaranteed by" and "Witness" were typed on the same machine. Witness emphasized that he was not an expert on typography, but that his experience as a finger-print expert enabled him to find comparisons between the types on documents.

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Pick And Levitsky Charged With Impersonation

Police Allege That Accused Posed As Military Advisors To National Government When Negotiating For Purchase Of Arms

Evidence regarding a proposed \$1,800,000 deal in arms was given in the Shanghai Special District Court yesterday at the trial of Eugene Pick and Max Levitsky, who were again remanded on charges of posing as military advisors of the National Government. Levitsky was further charged with counterfeiting a seal of Mr. R. K. Raphael, British merchant and a complainant in the case.

Messrs. R. T. Bryan, Jr., Municipal Advocate, and Paul Y. Ru, Assistant Municipal Advocate, prosecuted while Messrs. M. B. Brown, Dr. R. C. W. Sheng and Chiu Tseng-seh appeared for Mr. Raphael and Nicholas Tsu, a witness. Dr. F. Wilhelm of Messrs. Musso, Fischer and Wilhelm watched the proceedings for an interested party while Mr. Paul Premet was for Pick and Dr. Franklin Chin for Levitsky.

Mr. Ru opened by explaining under what articles the charges were laid. Both accused he said had posed as military advisors to the National Government, represented themselves as public officers and negotiated the purchase of arms with Mr. Raphael. Levitsky he said, had forged a chop in the name of Mr. Raphael to the latter's injury.

Array Of Witnesses

Among the witnesses who will be called Mr. Ru said were Mr.

Raphael, C. Ralf who introduced accused to Mr. Raphael, Mr. E. Carroll who witnessed the negotiations and employees of Mr. Raphael. The proprietor of the Mei Tah Printing Company Mr. Ru continued, will give evidence regarding Levitsky's call at his establishment to make a chop with Mr. Raphael's name. Among the police witnesses, counsel said, will be a Chinese detective and Detective Sub-Inspector V. S. Bebenin. Counsel proposed to call the witnesses first before proving the documentary evidence in the case.

Mr. Ru then proceeded to question Mr. Raphael on a written statement which Mr. Raphael made when Mr. Premet interposed that accused did not know what the statement was and that it was necessary to have the English text translated to them. This counsel said, would prove of assistance to the defense.

Meets "Major Levitz"

In reply to a number of questions Mr. Raphael stated that on May 22, he met the two accused for the first time in his office. Levitsky he said, came first and introduced himself as Major Levitz and passed for a representative of the National Government connected with the army. Witness qualified the statement by stating that Levitsky said he was a military advisor attached to the army of the Nanking Government. A few minutes after Major Levitz arrived, witness continued, his office-boy told him of the appearance of Pick. The latter he said, was in an outside office, saluted him as he entered and said: "I am Capt. Klige." Pick witness said, could not speak English very well and said that he was also attached to the Nanking army and that he had come with his friend. Pick, witness said, entered his office only for a short while and saw Levitsky. They saluted each other. Both

I would like to call attention to regarding this contract. In the first place the contract was made between Chan Fah-ying and Mr. R. K. Raphael, not between Mr. Raphael and the National Government, or between one individual and another. This is a very important and material point because witness has testified very definitely that accused represented themselves as representatives of



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The Shanghai Evening Post & Mercury, Wednesday, June 17, 1931

Pick, Levitsky Held In Alleged \$1,800,000 Deal

R. K. Raphael Charges
They Posed As Canton
Military Advisors

CONTRACTS SIGNED
TO PURCHASE ARMS

Chinese Said To Have
Styled Self Brother
Of Chang Fah-kwei

Eugene Pick, Latvian, and Maurice Levitsky, Russian, central figures in the sensational "Pick case" of 1929, were brought before Judge Hyul in the Special District Court this morning and remanded for two weeks in connection with startling alleged deal involving \$1,800,000 worth of arms and ammunition.

The complainant was Mr. R. K. Raphael, of 2 Canton Road, exporter and importer. Pick and Levitsky were arrested yesterday afternoon by detectives from Central Police Station.

Posed As Advisors

In court this morning Mr. Raphael stated that the two men came to his concern and represented themselves as German military advisors to the National Government. After a number of conversations, he said, contracts were signed for a supply of arms and ammunition totalling \$1,800,000, to be delivered to Canton or any other port designated by the accused.

The two, according to Mr. Raphael, were accompanied by a man whose name was given as Chang Fah-ying, who claimed to be a brother of General Chang Fah-kwei.

Consulted Lawyers

The complainant asserted that he suspected the arms ordered by Pick and Levitsky were for the Canton Government and consulted his lawyers, who advised him to be careful in his dealings with the men and to compel them to comply with all necessary formalities in connection with the huge purchase.

Levitsky and Pick both testified that the former, aware of the alleged activities of Mr. Raphael in supplying arms to the Canton Government, secured work with the firm and obtained documents disclosing the alleged deals for arms with Canton.

Claims To Be Secret Agent

Levitsky, according to the statements of the men, gave the documents to Pick, who claims that he sent them to the Nanking Intelligence Bureau five days ago. Pick further asserted that he is now an agent for the bureau.

Following the complaint of Mr. Raphael, police arrested Levitsky at 467 Chapoo Road, a printing establishment, where he is alleged to have "chopped" a document with a false "chop" which had been made to his order by the printing shop.

Arrested In Frenchtown

Pick was nabbed at 24 Tracey Terrace, the Settlement police first obtaining permission from the police of the French Concession. Levitsky is 33 years of age and Pick 34 years old.

Testifying this morning, Mr. Raphael declared that the two men came to him under the guise of German officers. Pick, he said, posed as Captain K. Kluge and Levitsky as Major Max Levist.

Questioned Pick

Questioned by the complainant concerning the contract, which called for the delivery of the arms and ammunition at Canton or any other designated port, Pick, according to Mr. Raphael, after being told that Canton is not under the control of the Nanking Government, is stated to have replied that the arms might be used in the southern city.

It was revealed that the transaction was witnessed by Mr. Edward Carroll, British merchant, and Mr. Nicholas Chu, well-known local Chinese business man.

Inquiries Made

It further was stated that the complainant, desirous of ascertaining if the accused were bona fide representatives of the Nanking Government, made inquiries of Nanking through the British consulate general. He is stated to have been told to be cautious in his dealings.

The contract was for 1,250 pistols and 6,500 rifles, the actual value being \$1,773,325.

Levitsky told the court that while working for Mr. Raphael he discovered that several shipments of firearms had been delivered to Canton from Dairen. He said he reported the matter to Mr. T. V. Soong.

D.B. (Borne)
Information

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THE SHANGHAI TIMES, WEDNESDAY, JUNE 17, 1931

PICK AND LEVITSKY ARRESTED AGAIN

Foreign Complainants Allege Attempted Swindle

Detectives from Central Police Station yesterday afternoon took into custody Eugene Pick and E. Levitsky, Russians, on information laid by two foreign complainants. The accused are held in the Central Police Station pending their appearance at the Shanghai District Court this morning.

Although full details of the alleged attempted swindle, which is said to involve an amount running into six figures, have not been disclosed, it was learned last night that arms are at the bottom of the case.

It will be recalled that Pick was the leading figure in one of the most sensational cases brought before the Shanghai Provisional Court two years ago as the result of which he was sentenced to nine months' imprisonment. Levitsky was also charged on that occasion.

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EUGENE PICK IN COURT

Forging of Documents on Arms Deal Charged Against Russians

Eugene Pick and M. Levitsky, who were the leading figures in a sensational case brought before the former Shanghai Provisional Court two years ago, were the main figures in another sensation in the Shanghai Special District Court yesterday when they were charged with being suspected of disturbing the peace of China and with forging documents.

Mr. Paul Y. Ru, Assistant Municipal Advocate, who prosecuted, asked the Court to order a two weeks' remand after hearing the evidence and to issue search warrants to enable the police to search the houses of the two accused because police expected that more evidence would be obtained to support the charges against accused as a result of these searches.

Outlining the case, Mr. Ru told the Court that, about May 20 this year, the two accused visited Messrs. R. K. Raphael, a British firm, at No. 2 Canton Road, and demanded to interview the manager. The interview was granted and accused stated that they were formerly German military officers and were at present military advisers to the Chinese Government in Nanking. They said they were sent to Shanghai by the Chinese Government to purchase a large quantity of arms and ammunition and that, through the introduction of Messrs. Jebsen & Co., 7 Hankow Road, they had come to the firm to negotiate regarding the purchase of arms. Accordingly, negotiations in this connection were opened between accused and the manager of Messrs. R. K. Raphael and, during the period of negotiations accused introduced to the manager of Messrs. R. K. Raphael, who was complainant in the case, a number of Chinese, one of whom was described as Gen. Chang Fa-ying and stated to be a younger brother of Gen. Chang Fa-kuei, commander of the Cantonese "Iron-sides."

A draft contract was concluded whereby Messrs. Raphael would supply, through accused and Gen. Chang Fa-ying, the Chinese Government with \$1,770,000 worth of arms, including 1,200 pistols and 6,500 rifles. The contract stipulated that 25 per cent. of the money for the purchase of the arms should be paid in advance to the Tatung Bank in Shanghai and the remainder, after the delivery of goods. The ammunition supposed to be ordered by the Chinese Government in Nanking was to be sent to Swatow, Kuangtung, now under the control of leaders of the anti-Chiang Kai-shek movement.

On June 10, continued Mr. Ru, the draft contract was signed by the manager of Messrs. Raphael and two other witnesses. One of whom was Mr. E. Carroll, and the other, a Chinese named Chu Tsai-hsueh. There were three copies of

the contract, two of which were later given to the second accused (Levitsky), who stated that he would take them to Gen. Chang Fa-ying to be examined and properly signed.

On June 15, counsel said, a Chinese named Wu Tse-ziang, proprietor of the Mei Tai Printing Shop at No. 467 Chapoo Road, and a friend of the manager of Messrs. Raphael, came to visit the latter and reported that several days previously, a foreigner, whose description answered that of the second accused, had visited his shop and ordered a false chop of the firm. Accordingly, complainant reported the affair to the police and Det.-Insp. Bebenin went to the printing shop to wait for the second accused's return as, according to the informer, the latter said he would come back on the following day to take the chop which had been ordered. On the following day, the second accused visited the shop and, after carefully examining the chop made by the shop, stamped this on a copy of his contract with complainant and took it

away after paying \$2.50. He was arrested by Det.-Insp. Bebenin about 100 yards from the shop. Information furnished by Levitsky led to the arrest of Pick at No. 4 Astor Road. At the police station, both accused asked to be detained at the Amoy Road Gaol.

Suspicions Aroused

Det.-Insp. Bebenin and Det.-Sgt. Harvey having corroborated, complainant stated that, when the two accused first visited his firm, they gave their names as Major Max Levitz and Captain K. Klize respectively and stated they were German military advisers to the Nanking Government. The contract entered into between him and accused provided that the arms and ammunition supposed to be ordered by the Nanking Government should be sent to Canton or any other ports in Kuangtung as accused may desire. Complainant's suspicions were aroused in view of the fact that a revolt had been declared by the Cantonese leaders, so he consulted his legal adviser concerning the matter. As a result of these consultations, he told accused that his firm would not be responsible for the non-delivery of the goods if the arms ordered by accused were detained by the Kuangtung authorities upon their arrival in the southern province. As a precautionary measure, he consulted the British Consulate, who ordered him to take the necessary precautions.

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Mr. E. Carroll, one of the two witnesses who signed the contract between complainant and accused, corroborated this statement and said that when the second accused took two copies of the contract from complainant, he said he would show them to Mr. T. V. Soong, Minister of Finance in Nanking.

Questioned by the Court, the first accused denied having accompanied the second accused to complainant's firm and stated that, so far as he knew, complainant was supplying the Chinese Government.

He said he met Gen. Chang Fa-ying in complainant's office. He denied having ordered any false chop and stated that he was visiting the shop to order some visiting cards when he was arrested. He did not know why he had been arrested.

The second accused said complainant and another foreigner intended to ship supplies from Dairen to Canton for the rebel leader, Gen. Chang Fa-kuei. The first accused obtain a copy of the contract regarding this transaction from complainant and gave it to him (second accused) and he, in turn, offered this to the Nanking Government. He denied the charges preferred against him and stated he did not know the reasons for his arrest.

At the request of Mr. Ru, a fortnight's remand was ordered, bail being refused.